VZCZCXRO8262 PP RUEHFK RUEHKSO RUEHNAG RUEHNH DE RUEHKO #0556/01 0720132 ZNR UUUUU ZZH P 130132Z MAR 09 FM AMEMBASSY TOKYO TO RUEHC/SECSTATE WASHDC PRIORITY 1466 INFO RUEKJCS/SECDEF WASHDC PRIORITY RHEHAAA/THE WHITE HOUSE WASHINGTON DC PRIORITY RUEAWJA/USDOJ WASHDC PRIORITY RULSDMK/USDOT WASHDC PRIORITY RUCPDOC/USDOC WASHDC PRIORITY RUEAIIA/CIA WASHDC PRIORITY RUEKJCS/JOINT STAFF WASHDC//J5// RHHMUNA/HQ USPACOM HONOLULU HI RHHMHBA/COMPACFLT PEARL HARBOR HI RHMFIUU/HQ PACAF HICKAM AFB HI//CC/PA// RHMFIUU/USFJ //J5/JO21// RUYNAAC/COMNAVFORJAPAN YOKOSUKA JA RUAYJAA/CTF 72 RUEHNH/AMCONSUL NAHA 5284 RUEHFK/AMCONSUL FUKUOKA 2943 RUEHOK/AMCONSUL OSAKA KOBE 6735 RUEHNAG/AMCONSUL NAGOYA 0717 RUEHKSO/AMCONSUL SAPPORO 3488 RUEHBJ/AMEMBASSY BEIJING 8236 RUEHUL/AMEMBASSY SEOUL 4262 RUCNDT/USMISSION USUN NEW YORK 4165 UNCLAS SECTION 01 OF 09 TOKYO 000556 SIPDIS DEPT FOR E, P, EB, EAP/J, EAP/P, EAP/PD, PA; WHITE HOUSE/NSC/NEC; JUSTICE FOR STU CHEMTOB IN ANTI-TRUST DIVISION; TREASURY/OASIA/IMI/JAPAN; DEPT PASS USTR/PUBLIC AFFAIRS OFFICE; SECDEF FOR JCS-J-5/JAPAN, DASD/ISA/EAPR/JAPAN; DEPT PASS ELECTRONICALLY TO USDA FAS/ITP FOR SCHROETER; PACOM HONOLULU FOR PUBLIC DIPLOMACY ADVISOR; CINCPAC FLT/PA/ COMNAVFORJAPAN/PA. E.O. 12958: N/A TAGS: OIIP KMDR KPAO PGOV PINR ECON ELAB JA SUBJECT: JAPANESE MORNING PRESS HIGHLIGHTS 03/12/09 Index: Top headlines 2) Editorials 3) Prime Minister's daily schedule (Nikkei) North Korea missile issue: 4) Pyongyang declares plans to launch "satellite" (Nikkei) 5) North Korea designates danger zones (Yomiuri) 6) Japan to intercept missile (Yomiuri) 7) North Korea's "satellite" launch to constitute a violation of U.N. resolution: Prime Minister Aso (Tokyo Shimbun) 8) Japan, U.S., S. Korea aiming for N. Korea pressure at UNSC (Nikkei) 9) Satellite launching vehicle technology is the same as having long-range missile: military commentator (Tokyo Shimbun) 10) Kantei sets up liaison office (Tokyo Shimbun) Afghanistan, Pakistan: 11) LDP's Yamasaki meets with Afghan president (Yomiuri) 12) Tokyo to host Pakistan donors April 17 (Mainichi) Political issues: 13) Prime Minister Aso to order additional economic stimulus package (Nikkei) 14) LDP's deputy policy chief says Diet dissolution premised on extra budget passage (Asahi)
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North Korea designates waters off Akita and Pacific Ocean as danger zones ahead of satellite launch

Nikkei:

Toyota to launch new hybrid car priced below 2 million yen around 2011

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- (1) National Health Insurance Association must explain disparities in insurance premiums
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- (1) Boosting domestic demand more important than increasing taxes
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Prime Minister's schedule, March 12

NIKKEI (Page 2) (Full) March 13, 2009

08:31

Attended at Kantei informal education revitalization meeting.

10:00

Attended Upper House Budget committee session.

11:55

Met with Upper House Budget Committee senior director Iwanaga.

12:01

Returned to Kantei.

13:00

Attended Upper House Budget Committee session.

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17:19

Met at Kantei with WCO Secretary General Kunio Mikuriya and Finance Ministry Customs and Tariff Bureau chief Fujioka, followed by Ushijima Shrine Chief Priest Tomoo Haruta, joined by Lower House member Midori Matsushima. Met afterwards with Deputy Chief Cabinet Secretary Uruma.

18:18

Attended the 50th anniversary of Japan Lawyers Association for Freedom.

18:49

Dined with junior LDP Upper House members, including Kenji Ogiwara, at Chinese restaurant in New Otani Hotel, joined by Deputy Chief Cabinet Secretary Konoike. .

21:03

Returned to his official residence.

4) North Korea plans to launch satellite between April 4 and 8 that could fly over Japan; Intelligence liaison office set up at Kantei

NIKKEI (Page 1) (Abridged slightly) March 13, 2009

The government revealed last night that North Korea had informed the International Maritime Organization (IMO) member countries of its plan to test-fire a communications satellite. Saying that the first stage of the rocket would fall into the Sea of Japan and the second stage into the Pacific Ocean, the North has designated danger zones there between 11:00 and 16:00 everyday between April 4 and 8.

Chief Cabinet Secretary Takeo Kawamura released a statement saying: "If a projectile is launched, even if that is a satellite, that would be a violation of UN Security Council resolutions. We strongly demand a halt to the launch that would impair the stability and peace of the region."

According to an IMO press officer, the North informed IMO headquarters in London of the planned launch in written form on the afternoon of March 11.

The danger zones in which the rocket is expected to fall are outside Japan's territorial waters. The danger zone in the Sea of Japan is at 40 degrees north and at between 135 and 138 degrees east. It is 130 kilometers off the coastline of Akita Prefecture and includes part of Japan's exclusive economic zone (EEZ). The area in the Pacific Ocean is at between 29 and 34 degrees north and at between 164 and 172 degrees east. It is 2,500 kilometers off Choshi.

North Korea is reportedly preparing to launch a ballistic missile at its Musudanri missile base facing the Sea of Japan. The Taepodong's propulsion device consists of more than two stages. The missile is said to have part of the United States in its range. A fired missile might head for Hawaii.

The government set up last night its intelligence liaison office at the Prime Minister's Office (Kantei). The Japan Coast Guard has issued a navigation warning to alert vessels cruising in waters where the missile is expected to land.

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5) North Korea designates waters off Akita and Pacific Ocean as danger zones, prior to "satellite" launch

YOMIURI (Top Play) (Lead paragraph) March 13, 2009

The government revealed last night that North Korea had informed the International Maritime Organization (IMO, based in London) of a plan to launch an experimental communications satellite sometime between April 4 and 8. Pyongyang cited two danger zones into which the rocket's parts and main body could fall - one in waters off Akita in the Sea of Japan and the other in Pacific waters off Chiba. The Japanese government issued a statement by Chief Cabinet Secretary Kawamura urging the North to cancel the plan, on the grounds that even if the North says it is a satellite, the launch is in violation of a UN Security Council resolution calling on North Korea to discontinue its ballistic missile development plan.

6) Japan to intercept an incoming projectile to apply pressure on North Korea

YOMIURI (Page 3) (Excerpts) March 13, 2009

The government late last night set up liaison offices at the Prime Minister's Office (Kantei) and the Foreign Ministry to collect information (on North Korea's missile launch). As seen in a Foreign Ministry source's comment, "Given North Korea has said so much, the North is certain to launch (a projectile)," the government is on high alert.

Once a projectile -- whether it is a missile or a satellite launching rocket -- is launched and it is projected to land in Japan or its territorial waters, the government plans to intercept it using the missile defense (MD) system under Article 82 of the Self-Defense Forces Law.

The MD system consists of the SM-3 missile mounded on the Maritime Self-Defense Force's Aegis-equipped vessels and the ground-based PAC-3 missile. There is no legal ground to intercept a missile flying over Japan, and doing so is said to be difficult technically. The interception plan has the aim of applying pressure on North Korea.

To prevent the North from launching (a projectile), the government will for the time being strengthen diplomatic pressure in collaboration with such countries as the United States, South Korea and China. If the North makes a launch and even if the country explains it is for "space development," the government intends to urge the UN Security Council to adopt a resolution denouncing North Korea.

Chief Cabinet Secretary Takeo Kawamura in a press conference yesterday said: "Security Council talks would inevitably follow a launch."

TOKYO SHIMBUN (Page 3) (Full) March 13, 2009

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In response to North Korea's prior notice to an international agency of a plan to launch a satellite, Prime Minister Taro Aso told

reporters yesterday: "There is no change in the Japanese government's view that the launch, even if the North says it is a satellite, is in violation of a UN Security Council resolution."

8) Japan, U.S., South Korea aim at applying pressure on North Korea at UNSC: China, Russia remain cautious

NIKKEI (Page 3) (Excerpts) March 13, 2009

Japan, the U.S. and South Korea take a position that even if North Korea claims that what it plans to launch is an artificial satellite, it is still in violation of a resolution adopted at the UN Security Council (UNSC). They are determined to apply pressure at such settings as the UNSC. However, since China an Russia are cautious about taking additional sanctions against North Korea, to what extent an encirclement net around that nation can be built is unclear.

U.S. Secretary of State Clinton have pointed out several times that the test-launch of a long-range ballistic missile is an act of provocation. The U.S. military is also indicating a stance of making a hard-line response, saying that they are ready to intercept it if there is an order from the president.

Japan and South Korea are in line with such a hard-line stance. Chief Cabinet Secretary Takeo Kawamura during a press conference on March 12 stressed the government's position of seeking a UNSC conference in the event of North Korea launching what it claims as an artificial satellite. A senior Japanese government official on the 12th said, "We must think about applying sanctions."

9) "A successful launch is tantamount to possessing long-range missiles"

TOKYO SHIMBUN (Page 3) (Full) March 13, 2009

Comment by military commentator Kensuke Ebata: The technology of a satellite rocket is basically the same as that of a missile. A successful launch is tantamount to North Korea possessing long-range missiles. Now that the North has acceded to the Space Treaty and informed related organizations (of its launch plan), other countries can no longer criticize the planned launch. The missile that might have the United States in its range would be a major threat to the United States. It could be a powerful "diplomatic card" for North Korea. A fired projectile might land in Japan. Even so, since the North has taken the appropriate procedures, it would be difficult to take such measures as intercepting it.

10) Government sets up information liaison office in preparation for North's missile launch

TOKYO SHIMBUN (Page 3) (Excerpt) March 13, 2009

North Korea has informed the International Maritime Organization (IMO) that it will launch a satellite. Learning of this, the government put into effect a status of tight alert yesterday. Chief Cabinet Secretary Takeo Kawamura issued a comment last night, in

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which he revealed that the government had set up an information liaison office at the Prime Minister's Official Residence in preparation for a satellite launch.

11) LDP's Yamasaki meets Afghan president

YOMIURI (Page 4) (Full) March 13, 2009

Tetsuya Ito, Kabul

The ruling coalition's fact-finding team led by Taku Yamasaki, a Liberal Democratic Party lawmaker, met with Afghan President Hamid Karzai in Kabul yesterday morning (on the afternoon of March 12,

Japan time). In the meeting, Karzai asked for Japan's assistance for agricultural development, as well as for the dispatch of a Japanese election monitoring team for his country's presidential election in August. Yamasaki promised to look into the president's requests in a positive manner.

Yamasaki handed to Karzai Prime Minister Taro Aso's letter, in which Aso states that he hopes that a free and fair presidential election will be held, and that Pakistan needs to build a relationship of trust with Afghanistan; among other points.

Karzai said: "I welcome the Obama administration's policy (of giving priority to the war on terror in Afghanistan)." Regarding Afghanistan's relations with Japan, he said: "I would like to make efforts to deal with agricultural problems," suggesting the need for Japan's aid.

12) Donors conference on Pakistan on April in Tokyo

MAINICHI (Page 3) (Full) March 13, 2009

The government has decided to hold a minister-revel donors conference on economic assistance to Pakistan in Tokyo on April 17. A senor Foreign Ministry official yesterday revealed the plan. It is expected that 20 or so countries and international organizations, including the World Bank and International Monetary Fund (IMF), will take part in the conference. U.S. Special Representative for Afghanistan and Pakistan Richard Holbrooke has revealed his plan to participate in the conference. A meeting of the "Friends Group," an international framework to support Pakistan, will be held as well.

Referring to the Afghan situation in his meeting last month with U.S. President Barack Obama, Prime Minister Taro Aso stressed the need for aid to Pakistan. He had suggested that Japan would host a donors conference on Pakistan.

13) Prime minister today to order ruling parties compile additional economic stimulus package, once agreement is reached at party head talks

NIKKEI (Page 2) (Full) March 13, 2009

Prime Minister Taro Aso will meet with New Komeito head Akihiro Ota on March 13. They are expected to agree that the ruling parties draft proposals for an additional economic stimulus package. At the same time, the heads of both parties will order that their

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respective secretaries general and policy research council chairmen look into stimulus measures. An emergency meeting for the prime minister, Finance Minister, State Minister for Financial Services and State Minister for Economic and Fiscal Policy Kaoru Yosano and other government officials to hear specific measures from about 80 experts will be held from the 16th through the 21st. The government and the ruling camp will move into full gear in their efforts to compile economic stimulus measures.

When ordering the compilation of an economic stimulus package, the prime minister will also likely ask looking into measures on stock prices and a mid- to long-term economic growth strategy. Following this, the LDP and the New Komeito will have their in-house countermeasures councils look into specific measures. The ruling parties' proposals will likely be compiled possibly by early April.

The emergency meeting to hear views from experts will host 10 subcommittee meetings on such issues as financial services, employment and human resources. Those meetings will bring together about seven to eight experts for each subject. They will include Japanese Business Federation (Nippon Keidanren) Chairman Fujio Mitarai and TEPCO Chairman Tsunehisa Katsumata. Economists will exchange views on the first day of the series of sessions.

Concerning the size of additional economic stimulus measures, some ruling party members are calling for dozens of trillions of yen in

terms of real spending mainly to be used for environment-related projects and public works. However, the prime minister will likely steer clear of referring to the compilation of a fiscal 2009 supplementary budget when he gives orders to the secretaries general and policy research council chairmen of the LDP and the New Komeito with consideration given to the fact that the fiscal 2009 initial budget is under deliberation.

Chief Cabinet Secretary Takeo Kawamura during a press conference on the 12th indicated his view that priority should be given to implementing public works earlier than scheduled. He said, "Major economic stimulus measures are early passage of the fiscal 2009 budget and the implementation of public works ahead of schedule."

14) Passage of extra budget a precondition for Lower House dissolution: LDP's Sonoda

ASAHI (Page 4) (Excerpts) March 13, 2009

Hiroyuki Sonoda, deputy policy chief of the Liberal Democratic Party (LDP), asked about the timing for dissolution of the House of Representatives in a taping of an Asahi Newster program, said yesterday: "If the Lower House election is held, there will be a (political) vacuum. We must have (a fiscal 2009 supplementary budget bill) executed with Diet approval." He indicated that the Lower House should not be dissolved before the fiscal 2009 extra budget, which would include an additional economic stimulus package, clears the Diet.

The outlook is that the extra budget will be presented to the Diet in May. If deliberations take much time, it will be difficult to hold the general election in May.

15) DPJ chief Ozawa denies "Cheju Island" remarks

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TOKYO SHIMBUN (Page 2) (Full) March 13, 2009

Asked by reporters yesterday at Democratic Party of Japan (DPJ) headquarters about former Japanese Trade Union Confederation (Rengo) President Kiyoshi Sasamori's remarks that quoted DPJ President Ichiro Ozawa as saying "buy up" South Korea's Cheju Island, Ozawa denied the Sasamori remarks, saying: "I did not say such thing. I did not mention anything specific."

Pointing out the fact that South Korean capital is trying to purchase real estate on Tsushima Island, Ozawa also said: "Both sides are free to do so. Foreign companies can purchase land. Japan can buy South Korean land."

16) Lawmaker Ishikawa, former secretary to Ozawa, questioned

TOKYO SHIMBUN (Page 1) (Full) March 13, 2009

In connection with massive political fund donations made by second-tier general construction contractor Nishimatsu Construction Co., a Tokyo District Public Prosecutors Office investigative squad yesterday questioned Lower House member Tomohiro Ishikawa, 35, who was a secretary to Democratic Party of Japan President Ichiro Ozawa and has been elected from Hokkaido for proportional representation, as a reference witness.

Ishikawa was in charge of accounting under Takanori Okubo, 47, who was the treasurer of Rikuzan-kai, Ozawa's fund management body, and was his first state-funded secretary, from 2000 through 2004.

Ishikawa yesterday evening released a comment: "Today, I honestly stated what I know, responding to an interview by the Tokyo District Public Prosecutors Office. If a similar request is made, I am willing to comply with such wherever possible." He said, "Secretaries were responsible for accounting in turn at the Ozawa Office. I was one of them. There was no person who was playing the

role of a keeper of the cashbox, so to speak."

The Tokyo Public Prosecutors Office on March 3 arrested Okubo on charge of falsely listing in the fund statement donations worth 21 million yen made by Nishimatsu Construction from 2003 through 2006 as donations by political organizations. Public prosecutors presumably questioned Ishikawa, who was in a position to assist Okubo, about how the donations were handled.

17) Government to issue order for maritime patrols today; MSDF vessels to leave for Somalia waters tomorrow

YOMIURI (Page 2) (Full) March 13, 2009

The government will hold meetings of the Security Council and the Cabinet today to decide to approve the invoking by Prime Minister Aso of a provision for maritime patrols in conformity with Article 82 of the Self-Defense Forces Law as part of anti-piracy efforts in waters off Somalia, Africa. Defense Minister Hamada will issue the order immediately after approval is gained. In the meetings, an anti-piracy bill will also be adopted.

Following the issuance of the order, two Maritime Self-Defense Force TOKYO 00000556 009 OF 009

(MSDF) destroyers will leave the MSDF base in Kure City, Hiroshima, tomorrow. The destroyers will be deployed to the Gulf of Aden off Somalia to escort Japan-related vessels. Takashi Saito, head of the Defense Ministry's Joint Staff Office, indicated in a press conference yesterday that the escort operation is likely to start in early April.

The anti-piracy bill is designed to expand the scope of ships to be placed under protection and to relax constraints on the use of weapons by SDF troops. The MSDF plans to dispatch troops, who will be trained under the new legislation, after the bill is enacted into law.

18) Government to dispatch fact-finding team to Yemen

YOMIURI (Page 2) (Full) March 13, 2009

The government decided yesterday to assist the countermeasures against piracy being taken by countries near Somalia with its official development assistance (ODA) funds. The Japan International Cooperation Agency (JICA) will dispatch a fact-finding team to Yemen next month.

The government's decision stems from the judgment that since Somalia is in a chaotic situation, it is necessary to strengthen neighboring countries' capabilities to crack down on piracy.

19) Japan, China to hold security dialogue this month

NIKKEI (Page 2) (Full) March 13, 2009

The Japanese and Chinese governments are now coordinating to hold a vice foreign ministerial security dialogue this month in Tokyo. The security dialogue will focus on North Korea's moves in preparation for launching a ballistic missile and will also take up such issues as increasing the transparency of China's defense spending.

ZUMWALT